

## Taking Action to Stop Skyrocketing Gas Prices

-----

Congressman Mahoney believes that Florida families, who are spending up to 20% of their take-home pay on gas, deserve real solutions not rhetoric. He wants to take action now to ensure that high gas prices don't rob Floridians of their American Dream. His action plan includes:

.

### CO-SPONSORING LEGISLATION TO INCREASE OIL PRODUCTION BY REQUIRING OIL COMPANIES TO DRILL ON EXISTING LEASED LANDS

-

Currently, oil companies are not producing oil or gas on the nearly 68 million acres of federal land already under their control. Offshore, big oil is producing on only about 20 percent of the acres they hold, while onshore, companies are producing on less than 30 percent of the acres they hold.

-

These unused areas could produce an additional 4.8 million barrels of oil and 44.7 billion cubic feet of natural gas each day, nearly double current domestic oil production.

-

Congressman Mahoney has co-sponsored The Responsible Federal Oil and Gas Lease Act of 2008 , which employs a "use it or lose it" approach and requires oil and gas companies to either produce or give up their existing federal onshore and offshore leases. Companies will no longer be allowed to stockpile leases and will be barred from obtaining additional leases unless they can demonstrate that they are producing oil and gas, or are diligently developing the leases they already hold. Similar--and effective--rules already apply to coal companies.

.

### HOLD CONGRESSIONAL HEARINGS TO INVESTIGATE SPECULATION IN COMMODITIES AND THE IMPACT ON GAS PRICES

-

Between September 30, 2003 and May 6, 2008,

traders holding crude oil contracts jumped from 714,000 contracts traded to more than 3 million contracts. This is a 425 percent increase in trading of oil futures in less than five years.

-  
Since 2003 commodity index speculation has increased 1,900 percent from an estimated \$13 billion to \$260 billion.

-  
In 2000 physical hedgers, those who actually take control of a product, to provide the Americans with a product, controlled 63 percent of the market. Speculators were at 37 percent. In less than eight years, speculators now control 71 percent of the market.

-  
Without effective oversight, there is no way to know whether energy speculators are basing trades on market realities, or are instead cornering the market to make money at the expense of hard-working Americans. Congressman Mahoney, Florida's only member of the Agriculture Committee, has called for Congressional hearings to investigate speculation in commodities markets. The Agriculture Committee will hold hearings on Wednesday, June 25.

.  
**LEADING A  
CONGRESSIONAL INVESTIGATIVE TRIP TO INCREASE CANADIAN OIL IMPORTS**

- Section 526 of The Energy Independence and Security Act prevents the US government from purchasing an "unconventional" fuel whose carbon footprint is higher than a conventional fuel.

-  
Tar sands oil represent about 40-50% of the crude oil product that is pumped from Canada. Much of the crude is exported to the United States and refined at US refineries. This oil is then mixed with crude from other sources and distributed to commercial facilities through the current gas infrastructure. It is very difficult for an end-consumer to determine whether a fuel contains petroleum from oil sands or other non-conventional sources.

-  
Congressman Mahoney wants to clarify that Section 526 does not preclude federal agencies from purchasing generally available fuels that may include a blend of fuel from oil sands refined in existing commercial processes.

-  
Allowing the free flow of Canadian oil into the United States will increase supply and reduce oil and gas prices in the US.

-  
Congressman Mahoney will be traveling to Canada on a Congressional investigative trip and will be meeting with Canadian government officials to better understand how to increase supply to the US market.

-  
LED THE  
EFFORT TO PASS THE FARM AND ENERGY BILLS THAT WILL MAKE FLORIDA  
THE BIOFUELS CAPITAL OF AMERICA

-  
As the largest biomass producing state in the nation, Florida is poised to become the nation's leading producer of biofuels, including cellulosic ethanol. This 'greener' fuel is created from plant and agricultural waste, instead of food, and uses less energy to create more fuel. It emits lower greenhouse gas and air pollutant emissions than corn ethanol or petroleum.

- This massive development of biofuels and cutting-edge energy research will create new jobs in South Florida.

- As the only member on the House Agricultural Committee from Florida, Congressman Mahoney was proud to support The Food, Conservation, and Energy Act. This bill provides an overall \$1 billion to fund programs that will leverage renewable energy industry investments in new technologies.

-  
Congressman Mahoney was also an original co-sponsor of The Energy Independence and Security Act, which included provisions to increase vehicle fuel efficiency to 35 miles per gallon in 2020 and promotes the use of more affordable American biofuels, including cellulosic ethanol.

In addition, Congressman Mahoney has co-sponsored and supported the following legislation:

•  
Strategic

Petroleum Reserve Fill Suspension and Consumer Protection Act - Temporarily suspends the filling of the SPR, starting June 30th, to put more oil on the market, which experts agree will help drive down gasoline prices. Signed into law on May 19, 2008.

•  
Renewable

Energy and Job Creation Act - Legislation which provides almost \$20 billion in tax incentives for investment in renewable energy, carbon capture and sequestration demonstration projects, energy efficiency and conservation. The bill will also retain and create hundreds of thousands of green jobs, spur American innovation and business investment, and cut taxes for millions of Americans. The President has threatened a veto.

•  
The Gas

Price Relief for Consumers Act - Legislation to combat record gas prices by authorizing lawsuits against oil cartel members for oil price fixing, and creating an Antitrust Task Force to crack down on oil companies engaged in anticompetitive behavior or market manipulation. President Bush has threatened to veto this bill.

•  
Federal

Price Gouging Prevention Act - This bill will provide immediate relief to consumers by giving the Federal Trade Commission (FTC) the authority to investigate and punish those who artificially inflate the price of energy. President Bush has threatened to veto this bill.

###